

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Order Instituting Rulemaking on the
Commission's Natural Gas and Electric
Safety Citation Programs.

Rulemaking 14-05-013
(Filed May 15, 2014)

**REPLY COMMENTS OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) AND
SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M) ON SAFETY AND
ENFORCEMENT DIVISION'S JUNE 1, 2016 REPORT WITHIN ASSIGNED
COMMISSIONER'S AMENDED SCOPING MEMO AND RULING FOR PHASE II**

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August 5, 2016

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I. INTRODUCTION

As directed by the Assigned Commissioner's Amended Scoping Memo and Ruling for Phase II (Ruling) issued on June 15, 2016 in the above-captioned proceeding, Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) respectfully submit the following joint reply comments on Phase II issues. Consistent with the Ruling, the Joint Reply Comments of SoCalGas and SDG&E respond to the opening comments submitted by parties on July 15, 2016.¹

II. REPLIES OF SOCALGAS AND SDG&E TO PARTIES' OPENING COMMENTS

A. SoCalGas and SDG&E Support Pacific Gas and Electric's position on Safety and Enforcement Division's (SED) Third Criteria for Gas Corporations to Self-Report within Their June 1, 2016 Report and Seek to Clarify That GO 112-F Violations Refer to Incidents and Potential Violations Rather Than Actual Violations.

SoCalGas and SDG&E concur with PG&E that "damage or failure" within the third criterion for self-reporting (i.e., GO 112-F violations that result in pipeline failure or damage)

¹ The following parties filed opening comments: SoCalGas and SDG&E; Southern California Edison, (SCE); Bear Valley Electric Service, PacifiCorp and Liberty Utilities (together, Joint Parties); Pacific Gas and Electric (PG&E); Southwest Gas Corporation (SWG).

should be clarified to define which incidents gas corporations should report (e.g. significant incidents such as pipeline ruptures or other variation of damage, such as corrosion, gouging and pitting). As noted in the first criterion, since the intent of the Safety Citation Program appears to be reporting potential violations that pose a significant threat, SoCalGas and SDG&E suggest the criteria for pipeline failure or damage match the Pipeline and Hazardous Materials Safety Administration (PHMSA) reporting requirements in 49 CFR parts 191.3 and 191.5, which are summarized below:

1. Fatality
2. Injuries involving in-patient hospitalization
3. Damages/repairs exceeding \$50K, excluding cost of lost gas
4. Lost gas in excess of 3 million cubic feet
5. Significant error in judgement of operator – not meeting above requirements

B. SoCalGas and SDG&E Propose to Add Clarification to SED’s Proposed Self-Reporting Criteria for Gas Corporations

SoCalGas and SDG&E propose that the initial section of SED’s proposed Self-Reporting Criteria for Gas Corporations should be clarified. The section appears to imply that Incident Reports and Safety-Related Condition Reports are self-reported violations. However, this is not necessarily the case. These reports, upon further evaluation, may or may not be determined to be a violation. Additionally some minor, non-hazardous violations are often reported after the fact. Accordingly, the wording of the SED’s proposed Self-Reporting Criteria should state as such. SoCalGas and SDG&E propose to modify the opening paragraph of section C(1) on page 21 of SED’s Report to read as follows:

“SED has proposed four recommended criteria for self-reporting potential violations. The criteria do not apply to potential violations that could result from reports that are provided to or come to the attention of SED; such as Incident Reports, Safety Related Conditions Report, other reports, audits or data requests. The four recommended criteria are as follow:”

C. Communication Infrastructure Providers' (CIP) Should Be Required to Report Their Own Potential Violations Caused by CIPs

As Southern California Edison Company states, issues caused by Communication Infrastructure Providers (CIPs) add further confusion to reporting "potential violations" since they are not bound by this rule-making. Furthermore, CIPs are the subject matter experts of their equipment and are also solely responsible to ensure their equipment is in sufficient working order and compliant with the proper rules and regulations. As such, CIPS are the appropriate parties to report their own potential violations caused by CIPs.

III. CONCLUSION

SoCalGas and SDG&E thank the Commission for seeking input on the design and implementation of the electric safety citation program, and refinements to the gas safety citation program, and respectfully request adoption of the proposed modifications to both programs discussed in these comments.

Respectfully submitted,

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